

Evasion of service tax

790. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Directorate General of Central Excise Intelligence (DGCEI) have booked several top companies on cases of service tax evasion;

(b) if so, what are the names and amount of evasion of tax by these companies;

(c) whether Non-Banking Financial Companies (NBFCs) are also involved in tax evasion on collecting deposits from public; and

(d) if so, the details with names of companies in this regard and action taken by Government to recover the amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir.

(b) The names and amount of evasion of tax by the companies involved in Service Tax evasion of more than rupees ten crore are given in the State (See below).

(c) Yes, Sir.

(d) The names and amount of evasion of tax by the NBFCs is given in the Statement-II (See below). Action as per the Central Excise Act, 1944 and the rules made thereunder is being taken by Government to recover the amount in cases where investigations have been completed.

Statement-I***Details of cases involving Service Tax Evasion of more than 10 crore***

Sl.No.	Name of the party	Amount involved (Rs. in crores)
2004-05		
1.	HAL, Kolkata	11.00
2.	Karam Chand Thapper and Brothers	22.99
3.	HAL, Bangalore	15.00

Sl.No.	Name of the party	Amount involved (Rs. in Crores)
4.	State Bank of India, MICR cheques processing Center, Mumbai and RBI	49.00
5.	Airport Authority of India, New Delhi	134.33
2005-06		
1.	M/s. M.S. Associates	20.94
2.	GSPC Ltd. Ahmedabad	10.00
3.	Indian Airlines, Delhi	15.00
4.	Jet Airways, Mumbai	16.35
5.	The Clearing Corporation of India	15.39
6.	Aryan Coal Beneficiation Pvt. Ltd., Dipeeka	18.56
7.	National Securities Clearing Corporation Ltd., Mumbai	16.96
8.	National Commodity and Derivatives Exchange Ltd. (ST)	10.00
9.	Various Airlines Operating in India (ST)	31.00
10.	Transocean Group of Companies (ST)	25.00
11.	Indian Institute of Planning and Management, Chennai	10.00
12.	Hyundai Motors India Ltd., Irungattukottai	10.00
13.	United Breweries, Bangalore	12.00
2006-07		
1.	Indian Airlines, Delhi	27.30
2.	Sahara Airlines, Lucknow	10.00
3.	Sahara India, Lucknow	89.07
4.	Xerox India Ltd., Gurgaon	20.00
5.	Karnataka State Beverages Corpn. Ltd., Bangalore	11.00
6.	SAP India Pvt. Ltd., Bangalore	38.43
7.	IBM India (P) Ltd., Bangalore	72.25
8.	M/s. G.S. Atwal and Co. (Engg) Pvt. Ltd. (KZU), Kolkata	10.00
9.	M/s. M.S. Associates (Diff) New Delhi	18.94

Statement-II**Details regarding evasion of tax by the NBFC**

Sl. No.	Name of the Company	Amount of Evasion of Service Tax (in lakhs)	Action taken to Recover Revenue
1	2	3	4
2003-04			
NIL			
2004-05			
1.	Awas Financial Services, Navi Mumbai	6.19	SCN issued, Pending adjudication
2005-06			
1.	Madhya Pradesh Financial Corporation, Indore	17.29	SCN issued. Pending Adjudication
2.	Small Industries Development Bank	2.52	SCN issue, Pending Adjudication
3.	Birla Sunlife Distribution	11.7	SCN issued. Pending adjudication
4.	Infrastructure learning and Finance Services Ltd., (IL and FS)	2.56	SCN issued. Pending adjudication
5.	SBI Fund Management	5.51	SCN issued, Pending adjudication
6.	SBI Mutual Fund	8.87	SCN issued. Pending adjudication
7.	J.M. Morgan Stanley Fin. Services	0.91	Under investigation
8.	Crystal Info financial Services Ltd., Pune and M/s Crystal Financial Services Ltd., Pune, M/s Credentials, Pune	41.46	SCN issued. Pending adjudication
9.	SIDBI, Kanpur	90	Under Investigation
10.	Rajasthan Finance Corp., Jaipur	30	Under Investigation
11.	Muthoot Finance Pvt. Ltd., Delhi (Muthoot Leasing and Finance Ltd.)	26.49	Investigation completed. SCN put up for approval.
12.	U.P. Financial Corp., Kanpur	12.18	Under investigation
13.	H.P. Finance Corp., Shimla	5.2	SCN issued

1	2	3	4
14. Delhi Finance Corp., Delhi	2	SCN issued	
2006-07			
1. Weizmann Capital Ltd.	0.79	SCN issued. Pending adjudication	
2. HDFC CHUPP General Insurance Ltd.	4.5	Under investigation	
3. Centrum Capital Ltd., Fort, Mumbai	20	Under Investigation	
4. Anand Rathi Securities Pvt. Ltd.	Not quantified	Transferred to Commissionerate	
5. ASK Raymond James	0.5	Transferred to Commissionerate	
6. Keynote Corporation	Not quantified	Transferred to Commissionerate	
7. India Bulls Securities Ltd., Gurgaon	481	Revised Estimate of Duty detected. the Company has deposited Rs. 470 lakhs so far. However, matter is under investigation.	

World Bank loans for poverty alleviation

791. SHRI DARA SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has provided any loan for projects pertaining to poverty alleviation and other human resources development during each of the last three years, till date;

(b) if so, the details thereof, State-wise;

(c) the number of projects cleared and the amount likely to be allocated for each of the project by the World Bank; and

(d) the details of implementing agencies of the projects, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (d) Yes, Sir. The World Bank has committed assistance for seven projects in poverty alleviation and human resources development sector during the Financial years 2004-05; 2005-06 and 2006-07 (till date). Details of the projects and their respective implementing agencies are given in the Statement.